DOCUMENT RESUME

ED 441 727 SO 031 644

AUTHOR Mazur, Laurie Ann; Sechler, Susan E.
TITLE Global Interdependence and the Need for Social Stewardship. Paper No. 1.
INSTITUTION Rockefeller Bros. Fund, New York, NY.
PUB DATE 1997-00-00
NOTE 36p.
AVAILABLE FROM Rockefeller Brothers Fund, 1290 Avenue of the Americas, New York, NY 10104-0233. Tel: 212-373-4200; Web site: http://www.rbf.org. For full text: http://www.rbf.org/initiatives.html.
PUB TYPE Opinion Papers (120)
EDRS PRICE MF01/PC02 Plus Postage.
DESCRIPTORS Economic Development; Foreign Countries; *Global Approach; *International Cooperation; *Social Problems; *World Problems
IDENTIFIERS Constituency Development; Global Issues; Interdependence; Military Power; Social Education

ABSTRACT

On October 7-8, 1996, the Rockefeller Brothers Fund joined with the World Bank to host a gathering of foundation executives, leaders of major humanitarian and environmental nongovernmental organizations, and officers of large multilateral institutions. The meeting was entitled "Building a Constituency for Global Interdependence," and its agenda reflected a sense of shared concern about the apparent waning of public and political support for the policies, programs, and agencies of cooperative international engagement. This paper draws from ideas voiced at that meeting to describe one possible and persuasive new framework for cooperative engagement. It begins by explaining the need for cooperation if interdependent nations are to advance their common interests in three areas: (1) economic growth; (2) military security; and (3) "social stewardship," which involves the promotion of health, social stability, and human potential. The second section of the paper traces the history of political and public support for social stewardship and discusses its current falling-off. In so doing, the paper provides new information on U.S. attitudes toward cooperative engagement generally and social stewardship in particular, suggesting that constituency-building is complex, involving not so much a lack of awareness about global issues but rather the low priority assigned to those issues and the absence of a compelling policy context in which to address them. The paper notes that constituency-building should include women, people of faith, youth, educators, businesspeople, and labor union leaders. The third section lays out messages and methods that might help generate a renewed commitment to social stewardship among policymakers and opinion leaders, key constituencies, and the general public. Finally, the paper argues for a model of cooperative engagement in which social stewardship, economic growth, and military security are seen as mutually reinforcing expressions of U.S. interests and values. (BT)

Reproductions supplied by EDRS are the best that can be made
from the original document.

ED 441 727

PAPER NO. 1

GLOBAL INTERDEPENDENCE AND THE NEED FOR SOCIAL STEWARDSHIP

U.S. DEPARTMENT OF EDUCATION
Office of Educational Research and Improvement
EDUCATIONAL RESOURCES INFORMATION CENTER (ERIC)
This document has been reproduced as received from the person or organization originating it.
Minor changes have been made to improve reproduction quality.
Points of view or opinions stated in this document do not necessarily represent official OERI position or policy.

PERMISSION TO REPRODUCE AND DISSEMINATE THIS MATERIAL HAS BEEN GRANTED BY
Priscilla Lewis
TO THE EDUCATIONAL RESOURCES INFORMATION CENTER (ERIC)
1

SO 031 644

BEST COPY AVAILABLE

PAPER NO. 1

GLOBAL INTERDEPENDENCE AND THE NEED FOR SOCIAL STEWARDSHIP

Laurie Ann Mazur & Susan E. Sechler

RBF

GLOBAL INTERDEPENDENCE INITIATIVE
ROCKEFELLER BROTHERS FUND

ROCKEFELLER BROTHERS FUND
1290 Avenue of the Americas
New York, NY 10104-0233

212.373.4200
212.315.0996

E-mail: rock@rbf.org
World Wide Web: www.rbf.org

Copyright © 1997, Rockefeller Brothers Fund, Inc.
All rights reserved.

CONTENTS

5 PREFACE

9 INTRODUCTION

13 I: THE CHALLENGE OF GLOBAL INTERDEPENDENCE

19 II: THE RETREAT FROM SOCIAL STEWARDSHIP

25 III: BUILDING SUPPORT FOR SOCIAL STEWARDSHIP

33 CONCLUSION

34 NOTES

PREFACE

On October 7–8, 1996, at the Pocantico Conference Center of the Rockefeller Brothers Fund, the Fund joined with the World Bank to host an unusual gathering of foundation executives, leaders of major humanitarian and environmental NGOs (nongovernmental organizations), and officers of large multilateral institutions. The meeting was entitled "Building a Constituency for Global Interdependence," and its agenda reflected a deep sense of shared concern about the apparent waning of public and political support (in the United States but also in other developed nations) for the policies, programs, and agencies of cooperative international engagement. Despite considerable talk about the globalization of the economy and the unifying effects of communications technology, there has been a growing and worrisome tendency on the part of governments, the general public, and private funders to withdraw or withhold their support from international development, exchange, and capacity-building initiatives that reflect the reality and implications of global interdependence. A serious lack of funding, commitment, and vision—the resources on which effective cooperative engagement depends—now threatens to undermine the capacity of nations and peoples to collaborate in building a just and sustainable global community.

The U.S. retreat from international cooperative engagement has been widely reported. Once the world leader in aid to developing nations, the United States now ranks at the bottom of the list of donor nations in the percentage of gross national product devoted to foreign aid. In recent years, the United States has also failed to honor its commitments to such multilateral agencies as the United Nations and the International Development Association (the branch of the World Bank that provides low- and no-interest loans to the world's poorest countries) and has shifted its aid priorities, to a large extent, from long-term development assistance to short-term disaster relief. But the origins and extent of this retreat are poorly understood. Why, and among whom, is commitment diminishing? Has commitment waned for all forms of international engagement, or only for some? What can be done to reverse this trend? These questions were at the heart of the October 1996 Pocantico workshop.

In a lively and open discussion, participants reviewed what is known, guessed, and still unknown about the nature and causes of reduced

support for cooperative engagement. The public's lack of confidence in public institutions, including governments and international agencies, received extensive attention. NGO leaders then offered practical case studies of constituency-building in their own areas of interest: health, women's rights, environmental conservation, humanitarian aid, and emergency relief. Participants explored the potential differences between constituency-building on behalf of specific issues or causes and constituency-building on behalf of cooperative engagement more generally. A variety of strategies to bolster public and policymaker support for international cooperation was proposed and vigorously debated, with an emphasis not only on increasing financial support but also, and primarily, on changing the climate of opinion. Central to this discussion was a consideration of the need for renewed political leadership if the climate of opinion is to be altered in any meaningful fashion. Implicitly and occasionally explicitly, the gathering posed the question of how a group of foundations, NGOs, and multilateral institutions might work collaboratively, drawing on their respective and complementary strengths, to help build a broader understanding of global interdependence and a stronger commitment to cooperative engagement.

This meeting cannot be said to have produced a consensus, either on how to define the problem or on how to try to solve it. The discussions at Pocantico did, however, illuminate the need for more nuanced information about the beliefs and perceptions of Americans regarding their country's role in an interdependent world, and about the efforts that are already under way by NGOs and other organizations to educate various audiences about the challenges and opportunities presented by global interdependence. Above all, the meeting illuminated the need for a new conceptual framework for cooperative engagement in the post-Cold War era—a framework that would not only guide U.S. foreign policy and galvanize political leadership on behalf of international engagement, but also inform broad public education efforts on global issues and encourage greater public involvement and trust in the cooperative engagement process. These are needs that a collaboration of concerned foundations, NGOs, and multilateral institutions might well seek to address by engaging in some shared thinking and by developing some shared resources. It is this possibility which is now being explored—through informal conversations and meetings of a smaller working group—by the participants in the October 1996 workshop.

The paper that follows draws in part on the rich array of ideas voiced at Pocantico to describe one possible and persuasive new framework for cooperative engagement. It begins by explaining the need for cooperation if interdependent nations are to advance their common interests in three areas: economic growth; military security; and what the authors call social stewardship, which involves the promotion of health, social stability, and human potential. The United States, the authors argue, has fallen far

behind in this last arena. The second section of the paper traces the history of political and public support for social stewardship and discusses its current falling-off. In so doing, the paper provides valuable new information on American attitudes toward cooperative engagement generally and social stewardship in particular, suggesting that the constituency-building challenge is a complex one, involving not so much a lack of awareness about global issues, but rather the low priority assigned to those issues and the absence of a compelling policy context in which to address them. The third section begins to lay out messages and methods (including reform of the vehicles for cooperative engagement) that might help generate a renewed commitment to social stewardship among policymakers and opinion leaders, key constituencies, and the general public. Finally, the authors argue for a model of cooperative engagement in which social stewardship, economic growth, and military security are seen as mutually reinforcing expressions of American interests and values.

In its effort to articulate the importance of social stewardship and locate it in an overall framework for international involvement, and in its emphasis on the need for leadership as well as constituency if support for cooperative engagement is to be increased, this paper can certainly be seen as an outgrowth of the October 1996 Pocantico meeting. Many of its particulars, though, have been drawn or developed from other sources and subsequent discussions. In presenting this essay to the public, then, the Rockefeller Brothers Fund and the World Bank are not reporting on a particular workshop. Instead, we seek to convey something of the underlying concern and conviction that brought a diverse and sometimes divergent group of organizations together around a single issue; to offer a first example of the kinds of information and resources such a group might work together to provide; and to help spark a much larger conversation about the purpose, principles, and agents of American engagement overseas.

Colin G. Campbell
President
Rockefeller Brothers Fund

Mark Malloch Brown
Vice President, External Affairs
World Bank

In a world made smaller by global commerce and communication, cooperative engagement among nations is more possible — and more necessary — than ever before.

"Cooperative engagement," in this context, refers to the complex of policies, programs, treaties, investments, and regimes by which nations collaborate to advance common interests. Those interests fall into three broad categories: military security, economic growth and trade, and what might be called social stewardship — the promotion of health, social stability, and human potential. The United States is the world leader in efforts to ensure military security and has intensified efforts to open international markets and foster economic growth. But, as this paper will elaborate, the United States has fallen far behind in the realm of social stewardship.[1]

The term "social stewardship" is, admittedly, an awkward one. In public discourse, "stewardship" is most often used to describe the responsible use of natural resources — resource use that meets the needs of current generations without compromising the ability of future generations to meet their needs. But intergenerational concern should extend to the social realm as well. To meet the needs of current and future generations, it is also necessary to act as good stewards of *human* resources. Accordingly, social stewardship includes not only the careful use of natural resources, but also long-range efforts to improve public health, such as immunization and nutrition programs, basic sanitation, and reproductive health care. It includes efforts to promote greater social stability by fostering democracy, the rule of law, human rights, and more equitable distribution of resources. And it includes investments in human potential, such as public education and micro-credit initiatives. The package of objectives that we call "social stewardship" is closely related to the objectives of "human development," "social development," and "human security." In the international sphere, these objectives are now mostly pursued through bilateral and multilateral aid agencies, although many other private- and public-sector actors contribute to social stewardship.

Social stewardship is increasingly recognized as a component of national — and global — security. With the end of the Cold War, there is a growing understanding of non-military threats to peace and social stability. Intranational problems, such as resource scarcities and wide

gaps between rich and poor, have the potential to destabilize nations and even precipitate military aggression. Successful social stewardship efforts can address intranational problems before they metastasize into larger threats.[2]

Social stewardship is also valued as a building block of economic growth. Certainly, people who are healthy and educated are better prepared to seize economic opportunity than those who are sick, malnourished, or illiterate. A clear illustration of the economic benefits of social stewardship can be found in Costa Rica, where U.S. development assistance helped the government to provide basic health care, safe drinking water, and free primary and secondary education to all of its citizens.[3] These efforts reaped impressive gains: adult literacy rates in Costa Rica are now at 94 percent, and infant mortality dropped from sixty-two deaths per one thousand births in 1970 to thirteen in 1996, which is close to the level in most industrialized countries.[4] Investments in human well-being have catalyzed strong economic growth—Costa Rica's per capita income is now among the highest in Latin America—and reduced dependence on foreign assistance. Indeed, in 1996 Costa Rica "graduated" from receiving U.S. foreign aid.

And social stewardship has a moral value that cannot be quantified. Our moral and religious traditions teach us to care for the poor, the marginalized, the "least among us." Embedded in this teaching is a recognition of the dignity and worth of each human being. Social stewardship is an expression of our common humanity and of the value we place on each human life.

Still, the strategic, economic, and moral importance of social stewardship is not yet reflected in the U.S. budget (the most visible, but not the only meaningful measure of commitment). In fact, social stewardship now consumes a smaller share of international spending than at any time in the last thirty years. Since 1962, U.S. defense spending has fallen by 15 percent in constant 1997 dollars, while non-military international spending, including social stewardship, plummeted by 43 percent.[5]

Bilateral development assistance (more commonly known as "foreign aid") has sustained the deepest cuts. The United States, for decades the largest aid donor, is now in fourth place behind Japan, France, and Germany.[6] Real spending on development assistance peaked at $51 billion (in 1997 dollars) in 1947, when the Marshall Plan to rebuild Europe was in full stride. Spending has fallen steadily since then, with steeper drops in recent years, to $14 billion in 1997.[7] The U.S. ratio of official development assistance (ODA)[8] to Gross National Product (GNP) is now at its lowest level since 1950. Indeed, the United States devotes a smaller percentage of national income to development assistance than nearly any other developed nation—less than one-tenth of one percent (.1 percent), compared

to .97 percent for the Danes, .89 percent for the Swedes, .55 percent for the French, and .31 percent for the Germans.[9] Even in *absolute* terms, if we exclude U.S. aid to Israel and Egypt, the United States—with 265 million people—spends less on development assistance than Denmark, a nation of five million.

The United States has also reduced its contributions to multilateral aid efforts. In recent years, the United States has not fully honored its commitments to United Nations agencies and peacekeeping activities, nor to the International Development Association (IDA), the branch of the World Bank that provides low- or no-interest loans to the poorest of the world's countries. Although there is a movement under way to pay those accumulated debts, it is not clear what the outcome will be.[10]

Deeper cuts may be in store for U.S. funding of bilateral and multilateral agencies. Until recently, defense spending and non-military international spending were linked together as "privileged" accounts within the discretionary budget, meaning that they both enjoyed some protection from budget-cutting pressures. But in recent years, the linkage has been broken. Non-military international spending is now part of a broad "non-defense discretionary" category. This means that international spending—diplomacy, support for multilateral organizations, and bilateral development assistance—must compete for funds with domestic programs such as education, health care, and prisons. Given the stronger constituencies for domestic programs—and the lack of understanding about the impact of international problems on domestic well-being—policymakers often choose to cut international programs instead.[11]

Political and budgetary constraints combine to limit U.S. support for bilateral and multilateral aid efforts. But social stewardship requires more than cash; it also requires a commitment to cooperative engagement with other nations. In international fora the United States still tends to assume a hegemonic role, which may undercut cooperative partnerships. For example, the United States has unilaterally called for changes in the United Nations system and threatened to withdraw support if those conditions are not met. "The U.S. knows how to be the team captain, and it knows how to sit on the bench," says Jessica Mathews, president of the Carnegie Endowment, "but it's not very good at being a team player."[12]

The United States has also shifted its aid priorities from long-term development assistance to short-term disaster relief. The shift away from social stewardship may be short-sighted: long-term aid can help poor countries prevent crises by developing their economies and social infrastructure, which can obviate the need for expensive disaster relief. "American policy," according to a recent report by the Overseas Devel-

opment Council, "is, in effect, borrowing peace from the future to deal with crises in the present."[3]

• • •

On October 7–8, 1996, the Rockefeller Brothers Fund and the World Bank co-hosted a meeting of foundation executives, leaders of major humanitarian and environmental NGOs (nongovernmental organizations), and officers of large multilateral institutions, who gathered to discuss the apparent waning of America's commitment to social stewardship and what might be done about it. This meeting, entitled "Building a Constituency for Global Interdependence," took place at the Fund's Pocantico Conference Center. The meeting was inspired, in part, by the RBF's longstanding interest in the theme of global interdependence and its recent grantmaking experience in a world where the rapid pace of globalization is blurring the distinctions between domestic and international concerns. For the World Bank, sponsorship of the meeting reflected an institutional mandate to foster cooperative engagement, as well as a renewed commitment to program reform and to collaboration with foundations and nongovernmental organizations.

At the Pocantico meeting, participants agreed that the United States has made a sharp retreat from some forms of social stewardship—notably bilateral and multilateral development assistance efforts. But the Pocantico participants raised several questions about which there was less certainty. For example, does the retreat from development assistance signify a broader retreat from social stewardship? Is it possible to achieve social stewardship through other means, such as a greater reliance on market mechanisms? What is driving the current retreat, and how might it be reversed?

In the pages that follow, these questions are explored and others are raised. Section I, "The Challenge of Global Interdependence," explores the need for cooperative engagement to solve the problems and seize the opportunities presented by globalization. Section II, "The Retreat from Social Stewardship," reviews the history of political support for international social stewardship and the reasons for the current retreat. Section III, "Building Support for Social Stewardship," puts forth a three-part framework for approaching the challenge of rebuilding support.

The authors of this paper, in an attempt to reflect and expand upon the views of the Pocantico participants, have drawn a few preliminary conclusions. First, it is clear that bilateral and multilateral development assistance is a necessary, but not sufficient, component of social stewardship. Second, while it is important to rebuild support for these traditional mechanisms of stewardship, it is also necessary to develop new ways to harness the transformative powers of globalization to improve human well-being. Third and most important, it is essential to promote a renewed national dialogue about the goals and methods of U.S. engagement with other nations.

THIS PAGE INTENTIONALLY LEFT BLANK

We live in an era of stark contrasts. The global economy produces wealth on a previously unimaginable scale—gross world product has grown by more than 40 percent since 1980[14]—yet the absolute number of people in poverty continues to rise, and the chasm between rich and poor is widening in many countries.[15] With the end of the Cold War, the threat of nuclear annihilation has diminished, yet bloody civil conflicts erupt with frightening frequency and intensity. Medical science has conquered diseases that plagued humanity for millennia, yet millions die each year because they lack basic sanitation, nutrition, and health care. Our capacity to shape the environment to meet human needs has brought comfort and convenience to many, as well as unforeseen side effects—climate change, species loss, soil erosion, water shortages—that may threaten the planet's ability to sustain life itself.

The world is both expanding and contracting: expanding with the rapid growth of the human population and economy; contracting as the forces of globalization draw more tightly the bonds that connect us. An increasingly global marketplace is redrawing the map of alliances, forging new ties of economic, political, and social interdependence among people and nations.

Interdependence Calls for International Problem-Solving

Interdependence means that global trends have greater effects at the local level. As more producers and consumers are linked to the worldwide economic grid, more communities are affected by events beyond their borders.[16] For example, as farmers complete the transition from self-provisioning to production for export, their markets (and profits) grow. But so does their vulnerability to price shifts. At the same time, many governments have abandoned costly price supports (which encourage market inefficiency and poor land use practices), so farmers have less protection from the vicissitudes of the market.

Interdependence also means that what appear to be local problems can have international causes and effects. For example, the proximate causes of Mexico's 1994 peso crisis were local: budget deficits, hidden inflation, the destabilizing Chiapas rebellion, and the assassination of a prominent politician. But its underlying causes were, in a sense, global: a result of Mexico's foreign debt and disadvantaged position in the world economy.

And repercussions of the crisis were felt far beyond the Mexican border: the United States, Canada, and other nations risked billions to protect their own economies from the peso's slide.

In an interdependent world, environmental degradation, disease, terrorism, and organized crime do not respect national borders. So, to solve local problems, it is often necessary to think and act globally. To protect their forests from acid rain, Canadians must work with the United States to address industrial pollution in the American Midwest. To stop the spread of AIDS and other diseases, health officials must grapple with political and economic chaos in Africa, which provides a fertile breeding ground for globe-trotting microbes.[17] To prevent climate changes that threaten agriculture and ecosystems worldwide, environmentalists must influence patterns of energy use and transportation in the industrialized world as well as in the developing countries, which will produce the lion's share of carbon dioxide emissions in the next century.[18]

For Americans, prosperity and quality of life are increasingly entwined with conditions in other countries. Exports account for an increasing share of our nation's economic growth, and developing countries are among the fastest-growing markets for U.S. products. This means that more U.S. jobs depend on purchasing power and political stability overseas. These are generally high-paying jobs: industries that produce goods for export pay wages that are 13 percent above the national average.[19] Imports benefit Americans, too, by stocking our stores with inexpensive goods that keep the cost of living down.

But strengthened economic ties with developing nations impel us to consider the moral and practical implications of our new trading relationships. What does it mean to trade with nations that pay workers much less than American workers receive, and that have lower standards for worker protection and human rights? It means, for example, that American children play with inexpensive soccer balls stitched together by their peers in Pakistani sweatshops. Recently, consumer revulsion has prompted boycotts and other efforts to improve working conditions in developing countries. But some charge that boycotts are misguided: by purchasing products from developing countries, they say, it may be possible to foster growth that will ultimately lead to better working conditions.

And the practical implications of trade with developing countries may include job insecurity and lower wages for young and less-skilled American workers. The actual economic effects are relatively small, but they are politically significant. Most economists agree that trade with developing countries accounts for only about 20 percent of wage declines among less-skilled workers; the remainder is due to a host of factors, including technological changes and the dwindling strength of

unions.[20] Still, over the last two decades, about 6 percent of U.S. manufacturing jobs have been lost as corporations moved operations overseas to cut labor costs, and salaries of less-skilled workers have declined steadily.[21] As a result, many Americans remain wary of economic ties with developing nations, and there is ample evidence that protectionist impulses are gathering force.

Should we, then, decline to trade with nations whose labor standards are lower than ours? Should we shield American workers from wage declines through protectionist measures? The integration of developing-country workers into the world economy may indeed depress wages for less-skilled workers everywhere. However, the costs of *not* integrating those workers could be even higher: a widening gap between the world's rich and poor, political instability, and an incalculable waste of human potential. The challenge is to find mechanisms that can raise global standards for both wages and working conditions, while preserving and creating as many jobs as possible. This is a formidable but important task.

Interdependence Presents Opportunities to Raise Living Standards

Of course, opportunities as well as challenges now transcend national boundaries. In a globalized economy, capital moves more freely among nations. This quickening flow of resources offers an extraordinary opportunity to improve human well-being, especially in the impoverished countries of the developing world. Since private flows of capital now dwarf the spending of bilateral aid agencies and multilateral organizations, many believe that markets, not governments, will hasten development and raise the quality of life worldwide.

The shift from public to private investment has been dramatic. A decade ago, most capital flows to developing countries were in the form of loans or aid from official development institutions, supplemented by a trickle of private investment. That trickle has become a flood: private capital flows to developing countries rose from $5 billion in 1970 to $100 billion in 1981. Then, after a steep drop-off in the 1980s (when Mexico defaulted on its bank loans, and other debtor nations threatened to follow suit), private investment in developing countries rebounded to an unprecedented $285 billion in 1996, and now accounts for four-fifths of total capital flows to those countries.[22]

Ideas also move more freely in an interdependent world. Global trade has been accompanied by a parallel expansion of communications technologies. Today, people throughout the world are linked by a dense network of fiber-optic cables and are bathed in the common glow of an increasingly global popular culture. The worldwide commerce in ideas offers the potential to improve the quality of political and economic life by univer-

salizing higher standards for human rights, democracy, and environmental protection. For example, communications technologies—notably the electronic information systems that connect computer users across the globe—can serve as powerful tools of democratic reform. They can be used to spark dialogue among advocates, challenge the hierarchical control of information, and expose oppression and corruption. These technologies have helped nongovernmental organizations from the industrialized and developing countries form partnerships to raise international norms on a wide variety of issues, from environmental protection to women's rights.

The cross-pollination of cultures can also bring an end to age-old practices of oppression and discrimination. The censure of the global community (together with a strong indigenous human rights movement) helped bring down apartheid in South Africa. Other practices, such as female genital mutilation in North Africa and dowry murders in India, may ultimately wither in the glare of the international spotlight.

But the transformative process of globalization is still in its early stages. While private investment has lifted many into the ranks of the middle class and sparked a revolution of rising expectations, it has not produced appreciable benefits for most of the world's poor. According to the World Bank, three-quarters of developing-country investment goes to just a dozen countries, while the poorest countries—which are home to 42 percent of the developing world's population—received just 6 percent of all private investment.[23] In those countries, one billion people live on the knife edge of survival, lacking basic nutrition, sanitation, and health care. Even within countries experiencing rapid economic growth, gains are often distributed so unevenly that they do not benefit the majority of people.

Why do the benefits of global trade "trickle down" in some cases, but not in others? Government policy is key: where governments are committed to equal opportunity—especially for women—and invest in domestic social stewardship programs like education and public health, economic gains are usually more widely distributed. Conversely, the poorest countries are often saddled with governments that are corrupt and unresponsive to the needs of their people.[24] This raises thorny questions for U.S. trade policy and cooperative engagement more generally. Should the United States attempt to use its economic leverage to promote good government in the developing countries? If so, how can this be done without challenging the sovereignty of other nations?

Currently, there is vigorous debate in foreign-policy circles about the larger purposes of U.S. trade policy. During the Cold War, the U.S. deployed trade sanctions and rewards in the effort to contain Soviet Communism. This meant that the interests of individual businesses were sometimes sacrificed to the larger national interest. For example, during

the grain embargo of the late 1970s, agribusiness sustained major losses, albeit involuntarily, in order to punish the Soviets for the invasion of Afghanistan. Today, in the absence of overarching strategic objectives, the interests of U.S.-based companies are given greater priority. Indeed, U.S. trade policy now seeks primarily to secure market access in foreign countries, even those that engage in questionable conduct. Proponents of this approach, termed "commercial diplomacy," believe that unfettered trade alone will promote peace by fostering economic interdependence, and that growth will help democratize authoritarian states through improved living standards and contact with open societies.

Most analysts agree that robust trade and investment are essential to global prosperity and stability. But critics from both sides of the political spectrum charge that current U.S. trade policy places short-term business advantage ahead of long-term strategic and moral interests. Others question whether "commercial diplomacy" will bring about democratization.[7] Current conditions in Singapore and China (and the recent histories of South Korea and Chile) suggest that brisk economic growth and authoritarianism can coexist. Indeed, Lee Kuan Yew, the former prime minister of Singapore, has argued that authoritarianism is a necessary precondition for economic growth. The relationship between economic growth and the pursuit of broader social goals—such as human rights and equity—is complex and has generated considerable debate. The substance and outcome of this debate will have far-reaching implications for the future of cooperative engagement.

Another debate is raging over the potential impact of standards for global commerce. Multilateral trade organizations are now working to "level the playing field" for commerce by articulating international standards for consumer, labor, and environmental protection. But those standards are typically less stringent than the laws of the United States and other G-7 countries. Furthermore, because trade standards are set by small groups of officials who are effectively insulated from the democratic process, they raise many troubling questions. Who sets the standards for global commerce, and at what level? How can we ensure that those standards are in accordance with public values as well as private-sector interests? How can trade organizations become more transparent and accountable?

• • •

National interests are increasingly bound up with international concerns, and cooperation among nations is necessary to advance human well-being in an interdependent world. There is no turning back from international engagement: our nation's vital interests overseas prohibit a retreat into isolationism. As a recent report by the Overseas Development Council concludes:

> In the end, the principal issue for U.S. foreign policy is not whether the United States will be engaged in the world but the terms of that engagement: whether it will exercise an effective voice in crafting the rules, norms, and structures that will govern the evolving system, and whether U.S. policy will attend to more than the short-term bottom line.[16]

The "terms of engagement" for international affairs will, to a large extent, determine the prospects for peace, prosperity, and human well-being in the next century. What might the terms be? What purposes and principles should guide international relations? Which combination of military security, economic growth, and social stewardship will best advance human well-being in an era of global interdependence? And, what is our nation's role in international cooperative engagement? Is it enough to ensure military security and economic growth, or do our values and interests compel us to act as social stewards as well?

These questions deserve wide and rigorous public debate, but that debate is not taking place. Instead, without public input, the United States has retreated from its long-standing commitment to many institutions of social stewardship. If cooperative engagement is to serve the public interest, then international policy choices must be made with meaningful participation by the American people and with leadership that is informed by an understanding of the practical realities of global interdependence. And those choices must be guided by moral principles that reflect our nation's values as well as its interests.

Containment As a Rationale for Social Stewardship

To understand declining political support for bilateral and multilateral development agencies, it is helpful to review the history of that support. In the United States, support for those institutions is a product of the Cold War years, when containment of Soviet Communism was the overarching rationale for U.S. foreign policy. During that era, the United States implemented the Marshall plan, helped create and fund the United Nations and the Bretton Woods institutions (the World Bank and the International Monetary Fund), and launched the U.S. Agency for International Development (USAID).

Public support for these institutions did not materialize quickly or spontaneously. In the early years of the Cold War, President Truman, in concert with policymakers and other opinion leaders, persuaded Americans that Soviet Communism posed a profound threat to national interests and that social and economic investments overseas would help contain that threat by diminishing the appeal of Communism in poor and war-torn nations. Truman and his contemporaries did not shape policy to match opinion polls. Instead, they crafted a rationale and a strategy, then showed the public how the policy protected American interests and values. The emphasis on values—especially democracy and political freedom—was key. In the words of Columbia University historian John Ruggie, they succeeded by linking "the pursuit of American interests to a transformative vision of world order that appealed to the American public."[27]

Truman and others saw containment as the central objective of U.S. foreign policy. Accordingly, military security concerns dominated the spending and priorities of cooperative engagement with other nations. The other elements of engagement—economic growth and social stewardship—were judged important largely because of their relationship to containment. Humanitarian and economic aid programs were justified as a means to promote both social stability and market economies in developing countries.

Despite (or, some would argue, because of) this emphasis on military security, the Cold War period saw dramatic gains in social stewardship. Since the end of World War II, child mortality rates worldwide have fallen by 50 percent, helping to raise life expectancy in the developing

countries by 50 percent. These gains are due, in part, to the efforts of bilateral and multilateral aid agencies in partnership with developing-country governments and NGOs, and to strong economic growth.[28]

Bilateral and multilateral aid agencies played an important role in reducing child mortality rates, and their success illustrates the special niche these agencies occupy. For example, the United Nations Children's Fund (UNICEF) and USAID helped promote a potent method of saving children's lives: oral rehydration salts (ORS). ORS, a simple mixture of water, salt, and sugar, offers an extraordinarily effective means to combat the dehydration caused by diarrhea. When cholera swept through refugee camps during the 1971 Bangladesh war of independence, 96 percent of the victims treated with ORS survived.[29] But were it not for bilateral and multilateral aid agencies, this medical advance might not have gained wide usage. Market mechanisms probably would not have worked: because its ingredients are inexpensive and widely available, pharmaceutical companies would have little incentive to market and distribute ORS.

Despite these and many other successes, critics have noted that the Cold War imperatives of containment sometimes conflicted with social stewardship objectives. For example, in the process of rewarding allies with aid, bilateral agencies sometimes overlooked the needy and bolstered oppressive and/or corrupt regimes. This tarnished their credibility in the developing world, where many still view these institutions as agents of foreign "imperialism." Moreover, these institutions often employed top-down management methods that undermined local initiative. And, because their usefulness was measured in strategic terms, these institutions were not always judged by their success (or lack thereof) in fostering social stewardship.

In the post-Cold War era, bilateral and multilateral aid agencies are at a challenging impasse. Freed from the imperatives of containment, they now have a greater opportunity to promote social stewardship. Accordingly, these agencies have begun slowly to adapt their programs to the new era by forging new partnerships with citizens' groups and by emphasizing market-based interventions and democratizing reforms.

However, now that they have lost their Cold War rationale, the institutions of social stewardship are losing political support. Containment was a flawed rationale for promoting stewardship, but it did at least offer a coherent framework for understanding our interests in the developing world: during the Cold War, every nation had strategic importance as a potential ally or enemy. Today, it is more difficult to articulate U.S. interest in countries such as Mali or Bangladesh. As a result, the institutions of social stewardship have lost their strategic compass—and much of their political base of support.

Public Opinion and the U.S. Retreat from International Social Stewardship

If public support for cooperative engagement was an artifact of the Cold War, what has become of that support since the fall of the Berlin Wall? Conventional wisdom holds that Americans have little interest in international issues and that the end of the Cold War has eroded what little support existed for cooperation with other nations. For example, a recent survey of policymakers, journalists, and other opinion leaders found that most thought the American public prefers isolationism to international engagement.[30] But careful analysis reveals a great deal of latent support for engagement—especially to promote social stewardship.

Although few researchers have probed Americans' understanding of global interdependence, there are indicators of awareness among the general public. In a 1995 poll conducted by the Program on International Policy Attitudes (PIPA), for example, 63 percent agreed that "the world economy is so interconnected today that, in the long run, helping Third World countries to develop is in the economic interest of the U.S."[31]

However, polls show that Americans have significant misunderstandings about U.S. programs abroad, which erode support for development assistance. For example, most think federal spending on international programs, as a percentage of the federal budget, is many times greater than it is in fact. Another poll found that 75 percent of Americans think the United States spends "too much" on foreign assistance. However, when asked to guess the amount now spent on aid, the average estimate was about 15 percent of the federal budget—although the actual number is less than one percent. And Americans believe that, compared to other developed countries, the United States carries a much larger share of the burden of helping the world's poor than it actually does.[32]

Americans have real doubts about the motives and methods of current U.S. programs abroad. Most reject a hegemonic role for the United States—"Who are we to tell them what to do?" is a common refrain in focus groups. A high percentage believes that foreign assistance is wasted, ineffective, and/or fails to reach its intended beneficiaries. In one poll, 83 percent agreed that "There is so much waste and corruption in the process of giving foreign aid that very little actually reaches the people who need it."[33]

The perception of ineffectiveness substantially diminishes support for foreign assistance. In the classic ethical allegory, one must always jump into the water to save a drowning person—unless one cannot swim. Americans may care about the "drowning" people overseas, but they doubt whether foreign aid programs can "swim."

The news media contribute to the perception of U.S. ineffectiveness abroad. War, famine, and disaster dominate the scant news coverage of less-developed countries, while success stories—such as dramatic improvements in infant and child health—are rarely deemed newsworthy. By accentuating the negative, the news media foster an impression that poor countries are unsalvageable. (Private charitable groups may unwittingly contribute to this state of affairs, with fund-raising appeals that present the citizens of less-developed countries as helpless victims.[14]) Moreover, as arbiters of salience (the degree of importance given to issues and events) the news media have helped diminish the attention given to international issues. International news coverage is declining, as many news organizations are closing their foreign bureaus.[15]

Skepticism about U.S. programs abroad also stems from diminished faith in the public sector generally. Indeed, confidence in government is at an all-time low. One recent survey found that only 20 percent believed that the federal government can be trusted to do "what is right" most of the time—down from 76 percent in 1964.[16] It follows that Americans would doubt that the U.S. government, which is widely perceived as failing its own citizens, is capable of solving international or global problems.

However, opinion research shows that the American public does support cooperative engagement if properly conceived and executed. Polls consistently show that most Americans want the United States to play an active role in international affairs, both for moral reasons and because they believe engagement serves domestic interests. A strong majority of 80 percent believes the United States should give some foreign aid, while just 8 percent want aid programs eliminated.[17] The United Nations and other multilateral institutions still enjoy broad support: a 1994 poll by the Chicago Council on Foreign Relations found that 84 percent of Americans included "support for strengthening the United Nations" as a "somewhat" or "very" high foreign policy goal of the United States—the highest level of support for that goal in twenty years.[18]

When concerns about unfairness, corruption, and inefficiency are addressed, support for cooperative engagement rebounds. Indeed, when told how much the United States actually spends on foreign assistance, most favor sustaining or even increasing that amount. Given assurances that other nations are carrying their fair share, Americans favor U.S. participation in multilateral efforts to keep the peace, promote economic development, and provide humanitarian assistance. Most (58 percent) say they would even pay more in taxes for foreign assistance if they could be sure the aid really went to those in need.[19]

Although the data are far from conclusive, there are indicators that Americans reject the military-security dominated framework of national interests in favor of a framework that emphasizes social stewardship. In a

recent poll conducted for the International Women's Health Coalition, voters were asked whether they preferred a foreign policy that "emphasize[s] the security of people around the world, by focusing on poverty, the environment, health care, education and human rights," or one that "emphasize[s] the security of nations around the world, by focusing on trade, military defense, and nuclear arms control." Fifty-nine percent chose the people-centered approach, while just 25 percent voted for the nation-centered view.[40] While the distinction between "people" and "nations" may seem artificial to some, the poll suggests an important feature of public opinion about cooperative engagement.

Still, public opinion does not readily translate into policy, for a simple reason: international issues still have low salience for most people. Although Americans will state their support for social stewardship when asked, few petition their members of Congress to protest cuts in development assistance. Americans generally do not base their votes on international concerns, and when asked to rate the nation's biggest problems, international issues do not even make the top-ten list.[41]

Leadership: The Key to Raising Salience

As the Marshall Plan illustrates, political leadership is necessary to raise the salience of international issues and to galvanize public support for cooperative engagement. Why, then, have today's leaders failed to articulate a new vision for U.S. engagement overseas? The most obvious explanation is that they simply don't have a vision—perhaps because the complexities of global interdependence confound attempts to craft a single, comprehensive strategy. And today's policymakers are less concerned (and perhaps less informed) about foreign policy issues than at any time in the last twenty years.[42]

A second explanation is that leaders feel no political pressure to take action. There is no organized constituency for social stewardship, so policymakers derive no political benefit from championing it. In fact, they may incur political *costs*. For example, legislators who support aid to family-planning programs in developing countries are targeted for defeat by anti-abortion groups. In recent years, there has been a marked proliferation of vocal single-issue groups—made possible, in part, by new technologies that facilitate organizing and communication. Although many of those organizations (including the anti-abortion groups) do not represent majority opinion, they are often able to magnify their political impact through skillful organizing. Policymakers often choose to sidestep political minefields by avoiding positions that might anger powerful single-interest groups.

Leaders may also be reluctant to take action because they mistake their constituents' frustration with current aid programs as a rejection of

cooperative engagement more generally. Many policymakers are unaware that their constituents do, in fact, support cooperative engagement. In part, this is because opponents of engagement are far better organized than supporters. For example, PIPA conducted a study of four Congressional districts whose representatives had voted to withdraw from the United Nations and opposed foreign assistance. The members' staffs reported a steady stream of calls and letters from constituents who opposed the United Nations and foreign assistance, which was interpreted as representing majority opinion. But a random telephone survey of those districts found that constituents were broadly in *favor* of United Nations support and foreign assistance: only 18–21 percent favored withdrawing from the United Nations, and just 7–8 percent wanted to eliminate foreign assistance.[41] In politics, a vocal minority is often more powerful than a silent majority.

Policymakers may misread their constituents because there is so little public discourse on the relationship between national and global concerns. Political campaigns rarely spotlight international issues or turn on the candidates' foreign policy views. More importantly, there is no structured consensus-building process on international engagement. There are few fora (besides the voting booth) for the general public to communicate priorities to policymakers; and, as noted above, most Americans do not base their votes on international issues.

• • •

The Cold War framework for cooperative engagement evolved in a very different epoch, and that framework has not yet been reconfigured for the era of global interdependence. As a nation, we lack sufficient capacity—as measured in leadership, constituency, and institutional effectiveness—to solve problems and seize opportunities in an interdependent world. Meanwhile, the challenges increase in magnitude, and faith in collective problem-solving declines. That loss of faith diminishes political support for existing institutions of social stewardship. But without political support, those institutions cannot retool for the new era. In this way, falling support and limited capacity form a self-perpetuating cycle.

The cycle of reduced capacity for social stewardship can be broken if a critical mass of Americans generates the political will to do so. Generating political will requires both leadership and constituency: leaders must articulate a compelling vision of our nation's role in the world, and an organized constituency representing many sectors of the public must spur policymakers to action. Generating political will also requires the institutions of cooperative engagement to retool their premises, purposes, and methods in order to advance and promote social stewardship in an era of global interdependence.

Encourage the Leaders to Lead

During the Cold War, leaders persuaded a key segment of the American public that Soviet Communism posed a threat to their common interests and that cooperative engagement would help keep that threat at bay. Today's leaders must make the case for social stewardship in an interdependent world. Their challenge is more daunting: instead of an easily demonized "evil empire," there is a complex web of health, environmental, and social problems. Instead of the unifying goal of containment, there are dozens of interrelated objectives—including expanded democracy, improved public health, environmental sustainability, more equitable distribution of wealth, and universal access to primary education. Instead of the challenge of dealing with a constant threat, there is the very different task of managing rapid change. And instead of an orderly system of client states, policymakers confront a fragmented power structure of state and non-state actors.

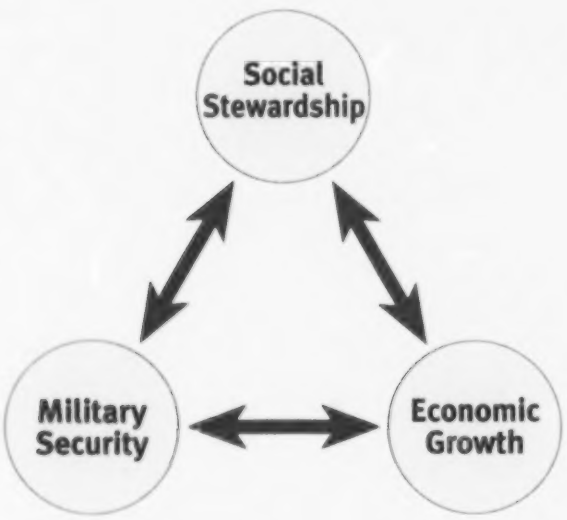
To build support for social stewardship, leaders must appeal to Americans' interests and values. First, they must demonstrate a compelling reason to take action, by articulating a sophisticated new model of national interests. The new model must acknowledge the threats and opportunities that result from global interdependence, and clarify U.S. strategic interests.

While it may be difficult to show the strategic importance of a single developing country, it may be more productive to view those nations as a bloc. What are the potential benefits of expanding markets throughout the developing world? And what are the potential dangers if developing nations remain on the margins of the world economy? "If

we look at conventional strategic and economic interests, there are probably no more than twenty-five nations that the U.S. should care about," says the Reverend J. Bryan Hehir, professor of the practice of religion in society at Harvard University and counselor to Catholic Relief Services. "But what if one hundred countries were to remain outside the global economy? When you consider the cumulative and synergistic effects of underdevelopment in dozens of countries, it changes the strategic calculus. And beyond purely strategic interests, there is an abiding moral responsibility not to allow one hundred countries and their people to remain marginal in the shaping of the next century."

The new framework should reflect the importance of social stewardship as a crucial goal in its own right, not just as an instrument of military security. At the same time, it might depict the three points of the cooperative engagement "triangle"—military security, economic growth and trade, and social stewardship—as interdependent and mutually reinforcing.

This model rests on a solid foundation of empirical evidence. History shows that even a strong military cannot maintain peace in the absence of broad-based economic growth and social stewardship.[44] Similarly, human well-being and prosperity are not secure without protection from military attack. And economic growth, if unaccompanied by social stewardship measures that promote equitable development, may exacerbate instability by widening gaps between rich and poor.[45] This new model of cooperative engagement shows that social stewardship is integral to security and prosperity, and therefore firmly establishes both its claim to resources and its legitimacy as a rationale for economic and even military policy decisions:



A new framework for international cooperative engagement in which social stewardship, economic growth, and military security are seen as mutually reinforcing.

The appeal to Americans' interests must address means as well as ends. Leaders must show the public that proposed remedies will work, by publicizing success stories about effective social stewardship. And they must provide reassurance that the means employed will be consistent with mainstream beliefs. Opinion research suggests that Americans prefer strategies that are non-hegemonic, that involve private as well as public actors, and that provide demonstrable benefits to people at the grassroots level.

Second, an effort to build support for social stewardship must speak to Americans' "hearts" by crafting messages that resonate with core values. Public opinion data suggest that support for cooperative engagement will not emerge from military security concerns alone; Americans want a foreign policy that represents their values as well as their interests. Opinion research shows that there are broad areas of agreement about the values that should guide cooperative engagement, including, for example: environmental stewardship, democracy and political freedom, equal opportunity, government accountability, international burden-sharing, and protection of children.

Organize a Broad-based Constituency for Social Stewardship

Leadership and constituency are the yin and yang of politics: the public needs leadership to articulate goals and spearhead policy change; but leadership cannot (or will not) take action without strong backing from the public. While encouraging leaders to take action, it is also necessary to consolidate a powerful constituency for social stewardship among the American people.

Nongovernmental organizations would be central to any constituency-building effort. A rapidly proliferating network of NGOs now mediates the relationship between leaders and the public in many nations, and affects policy on a wide range of international issues. Multilateral organizations, which are forging international NGO networks, may serve as vehicles to reach NGOs in the United States and overseas.

NGOs can identify areas of public consensus and spur policymakers to action. For example, the International Women's Health Coalition (IWHC) helped ensure that women's concerns were reflected at the 1994 United Nations International Conference on Population and Development (ICPD). IWHC began by reaching out to women's NGOs around the globe, identifying consensus positions and drafting a substantive agenda to improve women's lives. Endorsed by the United States and several European delegations, IWHC's message became a cornerstone of the ICPD document.

In many other cases, U.S. NGOs have helped steer foreign policy. For example, InterAction's "Just 1%" campaign helped inform policymakers about the true costs and benefits of development assistance, short-circuiting attempts to use the budget deficit as a rationale to cut foreign aid. In a related effort, CARE volunteers and staff met with Congressional leaders, voicing their moral and practical support for foreign assistance.

Yet, while they are growing in number and influence, NGOs have limited ability to build a broad-based constituency for social stewardship. Many lack the capacity to reach and mobilize the general public. And most are special-interest groups with a mandate to advance a single issue. It is unclear whether a series of targeted, single-issue campaigns could add up to more than the sum of its parts: a real constituency for social stewardship.

An effective constituency-building effort, therefore, must reach beyond the "usual suspects" of NGO members with a known interest in some aspect of social stewardship. It is important to enlist the support of those who are in a position to advance—or obstruct—the social stewardship agenda. This could be accomplished, for example, by involving community opinion leaders in foreign policy debates to a far greater degree. The effort could begin by encouraging leaders to reach out to pivotal segments of the general public. These segments might include:

- ***Women:*** Polls show a "gender gap" on social stewardship; women are generally more supportive than men.
- ***People of faith:*** Religious Americans give generously to charities that work overseas, yet represent a largely untapped source of support for U.S. programs of social stewardship.
- ***Youth:*** Young people are more idealistic and more likely to "think globally" than their elders, but many are unsure whether the United States can afford cooperative engagement.
- ***Educators:*** Educators can bring credibility and legitimacy to a long-term public education effort.
- ***Business people:*** The business community has access to policymakers and can help develop "rules of the road" that set normative values for the globalization of economic life. Businesspeople are often concerned about international issues and have a vested interest in establishing a stable environment for trade.
- ***Labor union leadership:*** Labor leaders have a clear interest in stewardship to improve conditions and wages for workers worldwide. And labor leaders often have a better understanding of economic interdependence than the general public.
- ***Media owners and employees:*** The news media shape people's experience of the world. Yet, although they have unparalleled access to Americans' hearts and minds, most reporters and editors have only a superficial understanding of international issues and the need for social stewardship.

- ***Foundation staff and trustees:*** Private foundations provide leadership, priority-setting, and funding for NGO efforts. Because they often have more flexibility than public donors, they may have greater capacity for innovation in crafting approaches to social stewardship.

An effort to build constituency must also work to close the gap between policymakers and the public. Perhaps as a legacy of the Cold War, foreign policy decisionmaking is often shielded from the spotlight of public scrutiny. As a result, U.S. policies of cooperative engagement are not in tune with the public's instincts, and a wide gap exists between the priorities of leaders and the public.

To close the gap, it is necessary to create mechanisms for ongoing dialogue between policymakers and the public. The values and objectives that guide cooperative engagement should be refined in a national process of consensus building. But currently, there is no process under way to build—or even reveal—that consensus.

It may be possible to jump-start that process by creating regular, structured opportunities—such as Internet chat groups or town meetings—for policymakers to listen to the public's concerns. Another approach might seek to improve the circulation of information between policymakers and the public by, for example, educating policymakers about the nuances of public opinion on cooperative engagement. Yet another might work to broaden and deepen mainstream media coverage of international issues, with an emphasis on neglected success stories about social stewardship efforts.

Retool Mechanisms of Cooperative Engagement

The existing mechanisms of cooperative engagement—multilateral organizations and bilateral aid agencies—were originally geared to the exigencies of a different era. These institutions must be retooled to meet the challenges of global interdependence by assuming new responsibilities, ensuring a greater degree of transparency and accountability, and crafting new models of engagement.

The realities of global interdependence call for a robust multilateral system. Some efforts have been made in this area: in recent years, multilateral organizations have been assigned broad new responsibilities to oversee international agreements on the environment, population growth, and women's rights, to name just a few. But the growing power of multilaterals is viewed with ambivalence by governments, which hand multilaterals new responsibilities while reining them in with limited funding and mandates.[45] At the same time, multilaterals lack the authority to enforce international standards of conduct and in some cases are weakened by inefficient and unresponsive bureaucracies.

Limiting the funding for multilateral organizations will not ensure that they use their new authority in a responsible way. Instead, it is necessary to ensure that multilateral organizations are *transparent*, which guarantees that their processes and mechanisms can be fully monitored; and *accountable*, which means that those institutions are responsive to the needs of aid recipients and donors alike. It will be no small feat to ensure the transparency and accountability of international organizations that employ a diverse range of approaches. Indeed, this will be a central challenge for cooperative engagement in the next century.

If multilateral institutions are strengthened, do bilateral aid agencies still have a role to play? At Pocantico, the answer, at least for the United States, was a qualified yes. It is clear that U.S. development assistance programs have the accumulated expertise and program infrastructure (especially in family planning, disease control, and agricultural research) that would be difficult, if not impossible, to replace. And, for a nation guided by values as well as interests, it is important to maintain an independent capacity for social stewardship.

But in order to garner broad political support, bilateral development assistance must also be retooled for the new era. In the absence of Cold War imperatives, social stewardship should be the exclusive objective of development assistance programs. To function effectively, development assistance programs must have a clearer framework of goals and strategies. That framework should fit into the larger design of U.S. foreign policy and be consistent with the aims of the countries in which bilateral programs work. By clarifying goals and strategies, these programs will be able to act proactively, rather than merely respond to disasters as they arise.

Bilateral development programs could also achieve greater impact by specializing in social needs that market mechanisms do not address. For example, while funding for infrastructure development is now more widely available from private investors, public subsidies are still necessary to broaden access to education and health care.

For both multilateral and bilateral institutions, new models of engagement could greatly enhance effectiveness. Top-down, hegemonic models of operation are not suited to the current challenges. Instead, these institutions must learn to harness broader forces — such as markets and social trends — to advance social stewardship. And they must learn to cultivate partnerships with a broad range of actors.

By working directly with NGOs, multilateral and bilateral institutions can bypass corrupt governments and support locally-designed initiatives. This model is gaining wide acceptance: NGOs now deliver more official development assistance than the entire UN system (excluding the World Bank and the International Monetary Fund).[47] However, like multilateral

organizations, NGOs have been given significant new responsibilities that are not always matched by funding and other support. And NGOs have limitations of their own. As noted above, many are special-interest groups with little capacity for large-scale action, and they lack the accountability of democratically elected governments.

Public-private partnerships are another promising alternative to traditional aid programs. Unlike government aid, the scope of which is limited by the size of donor-country budgets, public-private partnerships gain leverage by shaping the fundamental rules that govern economic life. For example, an alliance of garment and athletic-shoe manufacturers is working to develop codes of labor practices for their contractor firms overseas, with the aim of eliminating sweatshop working conditions.[18] And a new effort launched by U.S. policymakers and corporations seeks to prohibit bribery in international trade. But these approaches have built-in limits as well. For example, it is often difficult to enlist the private sector in meeting social needs that markets do not value.

To reorient the mechanisms of cooperative engagement, it is important to recognize that there is no "magic bullet" that will solve the problems or consolidate the gains of global interdependence. Mechanisms of cooperative engagement—including bilateral and multilateral agencies—must be nimble, flexible, and creative enough to harness the capacities of a broad range of actors, including governments, NGOs, corporations, trade associations, and educational institutions.

Again, leadership is key. Institutions cannot be expected to transform themselves from within; policymakers and opinion leaders must first shape a vision of cooperative engagement and devise an appropriate reform agenda for bilateral and multilateral institutions.

For decades, the containment of Soviet Communism served as the guiding principle of U.S. foreign policy, and military security was the central task of cooperative engagement. Today, cooperative engagement is increasingly focused on promoting trade and investment. Both approaches are vitally important, and their achievements—the end of the Cold War, a global economy that produces unprecedented wealth—are impressive. But both are incomplete: human well-being is not reliably produced as a byproduct of military security or aggregate economic growth.

At the Pocantico meeting, participants agreed on the need for a renewed emphasis on social stewardship to complement military security and economic growth. In an interdependent world, they determined, social stewardship is a crucial component of peace, prosperity, and human well-being.

Yet today, the U.S. government is retreating from commitment to the existing mechanisms of social stewardship—bilateral and multilateral development agencies—and has yet to design new ones. The American public is not leading the retreat: public support for social stewardship exists, although in latent form. For that support to become manifest, it is necessary to achieve a broad consensus about the meaning of national interests and values in an era of global interdependence and to energize a constituency for new models of social stewardship. That consensus will not take shape without the vision and commitment of leadership.

As the twenty-first century nears, it is time to recognize that prosperity and security are closely connected to human well-being. In a world where boundaries are porous, where everything—people, ideas, capital, weapons, and disease—moves easily across national borders, we cannot afford to turn our backs on the world. Instead, we must strengthen our ties with the people of other nations and work together to create a world that invests in the potential of each of its citizens.

NOTES

[1] Of course, there is considerable overlap among the three areas of cooperative engagement, both in objectives and outcome. But for the purposes of this paper "cooperative engagement to promote social stewardship" refers only to instruments with an explicit mandate to promote health, equity, and human potential.

[2] Thomas Homer-Dixon and Valerie Percival, *Environmental Scarcity and Violent Conflict: Briefing Book* (Washington, D.C.: American Association for the Advancement of Science, 1996).

[3] Caroline Wheal, "Family Life and Health in Costa Rica," *Calypso Log* (August 1994).

[4] *1996 World Population Data Sheet* (Washington, D.C.: Population Reference Bureau, 1996); and Jon Mitchell, "Costa Rica Graduates from U.S. Foreign Aid," *Christian Science Monitor* (August 28, 1996).

[5] *National Defense Budget Estimates for FY97* (Washington, D.C.: U.S. Department of Defense, 1997) Figures are given in constant 1997 dollars, using Department of Defense "deflators."

[6] But cuts are threatened in other nations as well. For example, the Japanese government recently announced a plan to reduce contributions to international organizations by 20 to 50 percent, in order to effect a 10 percent reduction in development assistance in fiscal 1998.

[7] *The Role of Foreign Aid in Development* (Washington, D.C.: The Congress of the United States, Congressional Budget Office, 1997).

[8] The Development Assistance Committee of the Organization for Economic Cooperation and Development defines "official development assistance" as grants or loans that one government or multilateral organization gives to a developing country to promote economic development and welfare. ODA also includes technical cooperation assistance, for example, in agriculture and development.

[9] "Financial Flows to Developing Countries in 1995: Sharp Decline in Official Aid; Private Flows Rise," Organization for Economic Cooperation and Development (OECD) News Release (June 11, 1996).

[10] *Lending Credibility: New Mandates and Partnerships for the World Bank* (Washington, D.C.: World Wildlife Fund, 1996).

[11] Letter from David F. Gordon, Director of U.S. Policy Programs, Overseas Development Council, to Mark Malloch Brown, Vice-President, External Affairs, The World Bank, September 9, 1996.

[12] Comments made at Core Group/Experts Group Meeting sponsored by the Rockefeller Brothers Fund "Project on World Security" and the Aspen Institute "Global Stewardship Initiative," Aspen, Colorado, August 14-15, 1997

[13] Barry M. Blechman, William J. Durch, David F. Gordon, and Catherine Gwin, *The Partnership Imperative: Maintaining American Leadership in a New Era* (Washington, D.C.: Henry L. Stimson Center and Overseas Development Council, 1997).

[14] World Bank and International Monetary Fund data, cited in Lester Brown, Christopher Flavin, and Hal Kane, *Vital Signs 1996: The Trends That Are Shaping Our Future* (New York: W.W. Norton, 1996).

[15] *Human Development Report 1996* (New York: United Nations Development Program, 1996).

[16] Of course, globalization and interdependence are not new phenomena; international markets have been a feature of economic life for centuries, if not millennia. What is new is the extent, and sometimes instantaneous impact, of globalization. Today, few communities remain fully outside the global web of commerce and communication, and trends and impacts resonate rapidly throughout the world.

[17] Jeffrey Goldberg, "Their Africa Problem—And Ours," *The New York Times Magazine* (March 2, 1997).

[18] U.S. Environmental Protection Agency, "The Greenhouse Effect," Slide presentation, Internet: http://www.epa.gov/global warming/sub1/gh_slide/01.htm

[19] U.S. Commerce Department, "Preliminary Data Release: U.S. Jobs Supported by Exports of Goods and Services" (Washington, D.C.: U.S. Commerce Department, 1996).

[20] Dani Rodrik, "Sense and Nonsense in the Globalization Debate," *Foreign Policy* (Summer 1997).

[21] Dale Belman and Thea M. Lee, "International Trade and the Performance of U.S. Labor Markets," in *U.S. Trade Policy and Global Growth: New Directions in the International Economy*, ed. Robert A. Blecker (Armonk, NY: M.E. Sharpe, 1996).

[22] *Global Development Finance 1997* (Washington, D.C.: World Bank, 1997); *Human Development Report 1995* (New York: United Nations Development Programme, 1995); Blechman, *et al.*, *The Partnership Imperative.*

[23] *Global Development Finance 1997.*

[24] *Human Development Report 1996* (New York: United Nations Development Programme, 1996).

[25] See, for example, Lawrence F. Kaplan, "The Selling of American Foreign Policy," *The Weekly Standard* (April 28, 1997); and Amartya Sen, "Human Rights and Asian Values," *The New Republic* (July 14-21, 1997).

[26] Blechman *et al.*, *The Partnership Imperative.*

[27] John Gerard Ruggie, "The Past as Prologue? Interests, Identity and American Foreign Policy," *International Security* (Spring 1997).

[28] *The State of the World's Children 1996* (New York: UNICEF, 1996); and Carl Haub and Martha Farnsworth Riche, "Population by the Numbers: Trends in Population Growth and Structure," in *Beyond the Numbers: A Reader on Population, Consumption and the Environment*, ed. Laurie Ann Mazur (Washington, D.C.: Island Press, 1994).

[29] *The State of the World's Children.*

[30] Steven Kull and I.M. Destler, *The Foreign Policy Gap: How Policymakers Misread the Public* (College Park, Maryland: Center for International and Security Studies of Maryland, 1997).

[31] Steven Kull, "What the Public Knows that Washington Doesn't," *Foreign Policy*, no. 101 (Winter 1995-96).

[32] Steven Kull and I.M. Destler, *An Emerging Consensus: A Study of American Public Attitudes on America's Role in the World* (Maryland: Center for International and Security Studies at Maryland, Program on International Policy Attitudes, 1996).

[33] Steven Kull, *Americans and Foreign Aid: A Study of American Public Attitudes* (Washington, D.C.: PIPA, 1995).

[34] Anne Winter, *Is Anyone Listening? Communicating Development in Donor Countries* (Geneva: United Nations Nongovernmental Liaison Service, 1996).

[35] Garrick Utley, "The Shrinking of Foreign News: From Broadcast to Narrowcast," *Foreign Affairs* (March/April 1997).

[36] *Why Don't Americans Trust the Government?* The Washington Post/Kaiser Family Foundation/Harvard University Survey Project (Menlo Park, CA: The Henry J. Kaiser Family Foundation, 1996).

[37] Kull, *Americans and Foreign Aid.*

[38] John Reilly, *American Public Opinion and U.S. Foreign Policy 1995* (Chicago: Chicago Council on Foreign Relations, 1995).

[39] Kull and Destler, *An Emerging Consensus*; National Issues Forums Institute, *Mission Uncertain: Reassessing America's Global Role* (New Jersey: John Doble Research Associates, 1996).

[40] Lake Sosin Snell & Associates, "A Women's Lens on Foreign Policy," (Washington, D.C.: International Women's Health Coalition, 1997).

[41] Reilly, *American Public Opinion.*

[42] Ibid.

[43] Kull and Destler, *The Foreign Policy Gap.*

[44] Examples from history include: Somoza's Nicaragua, Mobutu's Zaire, South Africa under apartheid, and current-day Israel.

[45] See, for example, *Enhancing U.S. Security Through Foreign Aid* (Washington, D.C.: Congressional Budget Office, 1994). This study found "a fairly striking correlation between economic malaise on the one hand and domestic unrest and political instability on the other."

[46] Jessica Mathews, "The Age of Nonstate Actors," *Foreign Affairs* (January/February 1997).

[47] Ibid.

[48] Robert A. Senser, "To End Sweatshops: Workers' Rights in a Global Economy," *Commonweal* (July 18, 1997).